

Mercer increased revenue 14 percent to \$959 million in the second quarter, with strong revenue growth achieved throughout its operations. On an underlying basis, Mercer's re

| | | | | |
|----------------------------|-------|-------|-------|-------|
| - Diluted | ===== | ===== | ===== | ===== |
| | 518 | 558 | 515 | 560 |
| Shares Outstanding at 6/30 | ===== | ===== | ===== | ===== |
| | 512 | 542 | 512 | 542 |
| | ===== | ===== | ===== | ===== |

Marsh & McLennan Compani

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| | | | |
|--------------------------|----|----|----|
| Total Operating Segments | 4% | 1% | 4% |
| Corporate Eliminations | | | |
| Total Revenue | 4% | 1% | 4% |

Revenue Details

The following table provides more detailed revenue information for certain of the components presented above:

| | Three Months Ended June 30, | | % Change GAAP |
|-------------------------|--------------------------------|---------|------------------|
| | 2008 | 2007 | Revenue |
| Marsh: | | | |
| EMEA | \$ 444 | \$ 392 | 13% |
| Asia Pacific | 124 | 105 | 18% |
| Latin America | 59 | 54 | 10% |
| Total International | 627 | 551 | 14% |
| U.S. and Canada | 584 | 573 | 2% |
| Total Marsh | \$1,211 | \$1,124 | 8% |
| Mercer: | | | |
| Retirement | \$ 310 | \$ 269 | 15% |
| Health and Benefits | 242 | 216 | 12% |
| Other Consulting Lines | 140 | 125 | 13% |
| Total Mercer Consulting | 692 | 610 | 14% |

| | | | |
|--------------------------------------|----|-----|------|
| Outsourcing | 4% | - | 6% |
| Investment Consulting & Management | 6% | 1% | 22% |
| Total Mercer | 4% | 1% | 9% |
| Kroll: | | | |
| Litigation Support and Data Recovery | 2% | 21% | 21% |
| Background Screening | - | - | (5)% |
| Risk Mitigation and Response | 3% | - | 20% |
| Total Kroll | 2% | 7% | 11% |

Notes

Underlying revenue measures the change in revenue, before the impact of acquisitions and dispositions, using consistent currency exchange rates.

Interest income on fiduciary funds included in revenue amounted to \$39 million and \$49 million for the three months ended June 30, 2008 and 2007, respectively.

As described on page 13, certain changes in presentation have been made to segment revenue for the prior year and for the first quarter of 2008.

| | Impact | Impact | Revenue |
|--------------------------------------|--------|--------|---------|
| Risk and Insurance Services | | | |
| Marsh | 6% | - | 2% |
| Guy Carpenter | 3% | - | (9)% |
| Total Risk and Insurance Services | 5% | - | - |
| Consulting | | | |
| Mercer | 5% | 1% | 9% |
| Oliver Wyman Group | 5% | 2% | 4% |
| Total Consulting | 5% | 2% | 7% |
| Risk Consulting & Technology | | | |
| Kroll | 2% | 7% | 8% |
| Corporate Advisory and Restructuring | 1% | - | (12)% |
| Total Risk Consulting & Technology | 1% | 6% | 5% |
| Total Operating Segments | 5% | 1% | 3% |
| Corporate Eliminations | | | |
| Total Revenue | 5% | 1% | 4% |

Revenue Details

The following table provides more detailed revenue information for certain of the components presented above:

Six Months Ended % Change

Risk and Insurance Services \$2,438s\$2, 008, .. 00745sMO-mMi Si x

| | Currency Impact | Acqui si ti ons/ Di sposi ti ons Impact | Underl yi ng Revenue |
|---|--------------------|---|-------------------------|
| Marsh: | | | |
| EMEA | 9% | - | 4% |
| Asia Paci fic | 11% | - | 8% |
| Latin Ameri ca | 14% | (5)% | 2% |
| Total International | 9% | - | 4% |
| U. S. and Canada | 1% | - | - |
| Total Marsh | 6% | - | 2% |
| Mercer: | | | |
| Retirement | 6% | 3% | 5% |
| Health and Benefits | 4% | - | 8% |
| Other Consulting Lines | 5% | - | 10% |
| Total Mercer Consulting | 5% | 2% | 7% |
| Outsourcing | 4% | - | 9% |
| Investment Consulting & Management | 7% | - | 23% |
| Total Mercer | 5% | 1% | 9% |
| Kroll: | | | |
| Litigation Support and Data Recovery | 2% | 22% | 14% |
| Background Screening | - | - | (4)% |
| Risk Mitigation and Response | 3% | - | 15% |
| Total Kroll | 2% | 7% | 8% |

Notes

Underlying revenue measures the change in revenue, before the impact of acquisitions and dispositions, using consistent currency exchange rates.

Interest income on fiduciary funds included in revenue amounted to \$83 million and \$96 million for the six months ended June 30, 2008 and 2007, respectively.

As described on page 13, certain changes in presentation have been made to segment revenue for the prior year and for the first quarter of 2008.

Marsh & McLennan Companies, Inc.
Non-GAAP Measures
Three Months Ended June 30
(Millions) (Unaudited)

MMC presents below certain additional financial measures that are "non-GAAP measures," within the meaning of Regulation G under the Securities Exchange Act of 1934. These measures are: adjusted operating income; adjusted operating margin; adjusted income, net of tax; and net income, excluding goodwill impairment charge.

MMC presents these non-GAAP measures to provide investors with additional information to analyze the company's performance from period to period. Management also uses these measures to assess performance for incentive compensation purposes and to allocate resources in managing MMC's businesses. However, investors should not consider these non-GAAP measures in isolation from, or as a substitute for, the financial information that MMC reports in accordance with GAAP. MMC's non-GAAP measures reflect subjective determinations by management, and may differ from similarly titled non-GAAP measures presented by other companies.

As described on page 13, certain changes in presentation have been made to segment revenue and segment operating income for the prior year and for the first quarter of 2008.

Adjusted Operating Income and Adjusted Operating Margin

Adjusted operating income is calculated by excluding the impact of certain noteworthy items from MMC's GAAP operating income. The following table identifies these noteworthy items and reconciles adjusted operating income to GAAP operating income, on a consolidated and segment basis, for the three months ended June 30, 2008 and 2007. The following tables also present adjusted operating margin, which is calculated by dividing adjusted operating income by consolidated or segment GAAP revenue.

| | Risk & Insurance Services | Consulting | Risk Consulting & Technology | Corporate | Total |
|--|---------------------------------|------------|------------------------------------|-----------|--------|
| Three Months Ended June 30, 2008 | | | | | |
| Operating income | \$ 150 | \$ 165 | \$ (86) | \$(47) | \$ 182 |
| Add (deduct) impact of noteworthy items: | | | | | |
| Restructuring Charges (a) | 47 | - | 4 | 2 | 53 |
| Settlement, Legal and Regulatory (b) | 10 | - | - | - | 10 |
| Goodwill Impairment Charge | - | - | 115 | - | 115 |
| Operating income adjustments | 57 | - | 119 | 2 | 178 |
| Adjusted operating income | \$ 207 | \$ 165 | \$ 33 | \$(45) | \$ 360 |
| Operating margin | 10.6% | 12.0% | N/A | N/A | 6.0% |
| Adjusted operating margin | 14.6% | 12.0% | 11.7% | N/A | 11.8% |
| Three Months Ended June 30, 2007 | | | | | |
| Operating income | \$ 93 | \$ 159 | \$ 30 | \$(43) | \$ 239 |
| Add (deduct) impact of noteworthy items: | | | | | |
| Restructuring Charges (a) | 4 | 1 | - | 5 | 10 |
| Settlement, Legal and Regulatory (b) | 15 | - | - | - | 15 |
| Accelerated Amortization | 3 | 2 | - | - | 5 |
| Operating income adjustments | 22 | 3 | - | 5 | 30 |

| | | | | | |
|---------------------------|--------|--------|-------|--------|--------|
| Adjusted operating income | \$ 115 | \$ 162 | \$ 30 | \$(38) | \$ 269 |
| | ===== | ===== | ===== | ===== | ===== |
| Operating margin | 6.9% | 13.1% | 12.0% | N/A | 8.6% |
| | ===== | ===== | ===== | ===== | ===== |
| Adjusted operating margin | 8.6% | 13.3% | 12.0% | N/A | 9.7% |
| | ===== | ===== | ===== | ===== | ===== |

(a) Primarily includes severance from restructuring activities and related charges, costs for future rent and other real estate costs, and fees related to cost reduction initiatives.

(b) Reflects legal fees arising out of the civil complaint relating to market service agreements and other issues filed against MMC and Marsh by the New York State Attorney General in October 2004 and settled in January 2005, and indemnification of former employees for legal fees incurred in connection with the events of October 2004.

Marsh & McLennan Companies, Inc.
Non-GAAP Measures
Six Months Ended June 30
(Millions) (Unaudited)

MMC presents below certain additional financial measures that are "non-GAAP measures," with an 8.6%

| | | | | | |
|--|--------|--------|-------|---------|--------|
| Restructuring Charges (a) | 61 | - | 7 | 18 | 86 |
| Settlement, Legal and Regulatory (b) | 23 | - | - | - | 23 |
| Goodwill Impairment Charge | - | - | 540 | - | 540 |
| Other | 3 | - | - | - | 3 |
| Operating income adjustments | 87 | - | 547 | 18 | 652 |
| Adjusted operating income | \$ 471 | \$ 316 | \$ 49 | \$ (90) | \$ 746 |
| Operating margin | 13.2% | 11.8% | N/A | N/A | 1.5% |
| Adjusted operating margin | 16.2% | 11.8% | 9.1% | N/A | 12.3% |
| Six Months Ended June 30, 2007 | | | | | |
| Operating income | \$ 303 | \$ 297 | \$ 54 | \$ (79) | \$ 575 |
| Add (deduct) impact of noteworthy items: | | | | | |
| Restructuring Charges (a) | 28 | 1 | - | 11 | 40 |
| Settlement, Legal and Regulatory (b) | 26 | - | - | - | 26 |
| Accelerated Amortization | 8 | 5 | - | 3 | 16 |
| Other (c) | - | - | - | (14) | (14) |
| Operating income adjustments | 62 | 6 | - | - | 68 |
| Adjusted operating income | \$ 365 | \$ 303 | \$ 54 | \$ (79) | \$ 643 |
| Operating margin | 10.9% | 12.7% | 11.2% | N/A | 10.4% |
| Adjusted operating margin | 13.2% | 12.9% | 11.2% | N/A | 11.6% |

(a) Primarily includes severance from restructuring activities and related charges, costs for future rent and other real estate costs, and fees related to cost reduction initiatives.

(b) Reflects legal fees arising out of the civil complaint relating to market service agreements and other issues filed against MMC and Marsh by the New York State Attorney General in October 2004 and settled in January 2005, and indemnification of former employees for legal fees incurred in connection with the events of October 2004.

(c) Represents an accrual adjustment related to the separation of former MMC senior executives.

Marsh & McLennan Companies, Inc.
Non-GAAP Measures
Three and Six Months Ended June 30
(Millions) (Unaudited)

Adjusted Income, net of tax

Adjusted income, net of tax is calculated as: (i) MMC's GAAP income (loss) from continuing operations, adjusted (a) to reflect the after-tax impact of the operating income adjustments set forth in the preceding table and (b) to include the operating income, net of tax, of MMC's former subsidiary, Putnam (included in discontinued operations through August 2, 2007); divided by (ii) MMC's average number of shares outstanding--diluted for the period.

Adjusted income, net of tax does not include gains or losses from the sales of operations included in discontinued operations, but, as noted above, does include the operating income of Putnam in 2007.

Reconciliation of the Impact of Non-GAAP Measures on Diluted Earnings Per Share - Three Months Ended

| | Three Months Ended 2008 | Diluted EPS | Three Months Ended 2007 | Diluted EPS |
|--|----------------------------|----------------|----------------------------|----------------|
| Income from continuing operations | \$ 55 | \$ 0.11 | \$140 | \$0.25 |
| Add impact of operating income adjustments | \$178 | | \$ 30 | |
| Deduct impact of income tax expense | (22) | | (9) | |
| | ----- | ----- | ----- | ----- |
| | 156 | 0.30 | 21 | 0.04 |
| | ----- | ----- | ----- | ----- |
| Income from continuing operations, as adjusted | 211 | 0.41 | 161 | 0.29 |
| Add Putnam operating income, net of tax | - | - | 37 | 0.06 |
| | ----- | ----- | ----- | ----- |
| Adjusted income, net of tax | \$ 211 | \$ 0.41 | \$198 | \$0.35 |
| | ===== | ===== | ===== | ===== |

Net Income Excluding Goodwill Impairment Charge

| | Three Months Ended 2008 | Diluted EPS | Three Months Ended 2007 | Diluted EPS |
|--|----------------------------|----------------|----------------------------|----------------|
| Net income | \$ 65 | \$ 0.13 | \$177 | \$0.31 |
| Add impact of goodwill impairment charge | 115 | 0.22 | - | - |
| | ----- | ----- | ----- | ----- |
| Net income, excluding goodwill impairment charge | \$ 180 | \$ 0.35 | \$177 | \$0.31 |
| | ----- | ----- | ----- | ----- |

Reconciliation of the Impact of Non-GAAP Measures on Diluted Earnings Per Share - Six Months Ended

| Six Months Ended 2008 | Diluted EPS | Six Months Ended 2007 | Diluted EPS |
|--------------------------|----------------|--------------------------|----------------|
|--------------------------|----------------|--------------------------|----------------|

| | | | | |
|--|---------|----------|-------|--------|
| (Loss) income from continuing operations | \$(160) | \$(0.31) | \$368 | \$0.66 |
| Add impact of operating income adjustments | \$652 | | \$68 | |
| Deduct impact of income tax expense | (40) | | (22) | |
| | 612 | 1.18 | 46 | 0.08 |
| Income from continuing operations, as adjusted | 452 | 0.87 | 414 | 0.74 |
| Add Putnam operating income, net of tax | - | - | 77 | 0.14 |
| Adjusted income, net of tax | \$452 | \$0.87 | \$491 | \$0.88 |

Net Income Excluding Goodwill Impairment Charge

| | Six Months Ended 2008 | Diluted EPS | Six Months Ended 2007 | Diluted EPS |
|--|-----------------------|-------------|-----------------------|-------------|
| Net (loss) income | \$(145) | \$(0.28) | \$445 | \$0.79 |
| Add impact of goodwill impairment charge | 540 | 1.04 | - | - |
| Net income, excluding goodwill impairment charge | \$395 | \$0.76 | \$445 | \$0.79 |

Marsh & McLennan Companies, Inc.
Supplemental Information - Quarterly Revenue and Operating Income
Analysis
(Millions) (Unaudited)

Consolidated Statements of Income- Change in Presentation

In the second quarter of 2008, performance measures for segment revenue and segment operating income, used by MMC's chief operating decision maker to evaluate performance and for the allocation of resources, were changed so that investment gains and losses derived from investments strategically linked to MMC's operating companies are no longer included. The presentation of segment revenue and operating income was conformed accordingly.

The following tables reflect the results for segment revenue and operating income after the change in presentation of investment income (loss):

| | First Quarter 2007 | Second Quarter 2007 | Third Quarter 2007 | Fourth Quarter 2007 |
|-----------------------------------|--------------------|---------------------|--------------------|---------------------|
| Risk and Insurance Services | | | | |
| Marsh | \$1,142 | \$1,124 | \$1,037 | \$1,195 |
| Guy Carpenter | 292 | 217 | 226 | 167 |
| Total Risk and Insurance Services | 1,434 | 1,341 | 1,263 | 1,362 |
| Consulting | | | | |
| Mercer | 800 | 842 | 844 | 882 |
| Oliver Wyman Group | 329 | 376 | 374 | 437 |
| Total Consulting | 1,129 | 1,218 | 1,218 | 1,319 |

| | | | | |
|--------------------------------------|---------|---------|---------|---------|
| Risk Consulting & Technology | | | | |
| Kroll | 193 | 201 | 210 | 211 |
| Corporate Advisory and Restructuring | 40 | 48 | 48 | 36 |
| Total Risk Consulting & Technology | 233 | 249 | 258 | 247 |
| Total Operating Segments | 2,796 | 2,808 | 2,739 | 2,928 |
| Corporate Eliminations | (35) | (23) | (23) | (13) |
| Total Revenue | \$2,761 | \$2,785 | \$2,716 | \$2,915 |

| | First Quarter 2007 | Second Quarter 2007 | Third Quarter 2007 | Fourth Quarter 2007 |
|---|--------------------------|---------------------------|--------------------------|---------------------------|
| Operating Income | | | | |
| Risk and Insurance Services | \$210 | \$ 93 | \$ (11) | \$ 50 |
| Consulting | 138 | 159 | 148 | 161 |
| Risk Consulting & Technology | 24 | 30 | 29 | 15 |
| Corporate | (36) | (43) | (50) | (71) |
| Total Operating Income (Loss) | 336 | 239 | 116 | 155 |
| Interest Income | 19 | 15 | 30 | 31 |
| Interest Expense | (71) | (75) | (65) | (56) |
| Investment Income (Loss) | 51 | 34 | 78 | 10 |
| Income Before Income Taxes and Minority Interest Expense | \$335 | \$ 213 | \$ 159 | \$ 140 |

| | | | | |
|-------------------------------|-------|-------|-------|-------|
| Segment Operating Margin | | | | |
| Risk and Insurance Services | 14.6% | 6.9% | N/A | 3.7% |
| Consulting | 12.2% | 13.1% | 12.2% | 12.2% |
| Risk Consulting & Technology | 10.3% | 12.0% | 11.2% | 6.1% |
| Consolidated Operating Margin | 12.2% | 8.6% | 4.3% | 5.3% |

| | Full Year 2007 | First Quarter 2008 | Second Quarter 2008 |
|-----------------------------------|----------------------|--------------------------|---------------------------|
| Risk and Insurance Services | | | |
| Marsh | \$ 4,498 | \$1,227 | \$1,211 |
| Guy Carpenter | 902 | 273 | 204 |
| Total Risk and Insurance Services | 5,400 | 1,500 | 1,415 |

Consulting
Mer Mar

Year A

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Total Ri nsul ting &

| | | | |
|--------------------------------------|----------|---------|---------|
| Risk Consulting & Technology | | | |
| Kroll | 815 | 220 | 240 |
| Corporate Advisory and Restructuring | 172 | 37 | 41 |
| Total Risk Consulting & Technology | 987 | 257 | 281 |
| Total Operating Segments | 11,271 | 3,052 | 3,070 |
| Corporate Eliminations | (94) | (13) | (22) |
| Total Revenue | \$11,177 | \$3,039 | \$3,048 |

| | Full Year 2007 | First Quarter 2008 | Second Quarter 2008 |
|--|-------------------|-----------------------|------------------------|
| Operating Income | | | |
| Risk and Insurance Services | \$ 342 | \$ 234 | \$ 150 |
| Consulting | 606 | 151 | 165 |
| Risk Consulting & Technology | 98 | (412) | (86) |
| Corporate | (200) | (61) | (47) |
| Total Operating Income (Loss) | 846 | (88) | 182 |
| Interest Income | 95 | 18 | 12 |
| Interest Expense | (267) | (56) | (55) |
| Investment Income (Loss) | 173 | 8 | (16) |
| Income Before Income Taxes and Minority Interest Expense | \$ 847 | \$ (118) | \$ 123 |

| Segment Operating Margin | Full Year 2007 | First Quarter 2008 | Second Quarter 2008 |
|------------------------------|-------------------|-----------------------|------------------------|
| Risk and Insurance Services | 6.3% | 15.6% | 10.6% |
| Consulting | 12.4% | 11.7% | 12.0% |
| Risk Consulting & Technology | 9.9% | (12.6%) | (12.0%) |
| Risk Consulting & Technology | 9.9% | (12.6%) | (12.0%) |

9.9% (12.6%) (12.0%)
 Risk Consulting & Technology
 Risk Consulting & Technology

